

# The Rising Sun!

**Business News & Updates for the Japan Market** 

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#### Greetings from Tokyo!

Next year, 2015, marks the 50<sup>th</sup> anniversary of sister state-prefecture relationship between Missouri and Nagano, Japan. For cerebration our half centuries friendship, many events are planned including Nagano Governor, Shuichi Abe's visit to Missouri in November.

Through sister relationship, we have been developing educational exchange with home stay program, and we are very excited to strengthen our relationship in the area of economic development.

Economy of Nagano is very similar to that of Missouri. They have strong manufacturing assembled products as well as agriculture products. We look forward to more opportunities of business development with Nagano Prefecture.

Mr. Hiroaki Shino, Director

Missouri Japan Trade & Investment Office



### Regional Profile: City of Yokohama



Yokohama, officially the City of Yokohama, is the second largest city in Japan by population after Tokyo, and most populous municipality of Japan. It is the capital city of Kanagawa Prefecture. It lies on Tokyo Bay, south of Tokyo, in the Kantō region of the main island of Honshu. It is a major commercial hub of the Greater Tokyo Area.

Yokohama's population of 3.7 million

makes it Japan's largest incorporated city. Yokohama had been the world's largest suburb until the formation of New Taipei.

Yokohama developed rapidly as Japan's prominent port city following the end of Japan's relative isolation in the mid-19th century, and is today one of its major ports along with Kobe, Osaka, Nagoya, Hakata, Tokyo, and Chiba.

The city has a strong economic base, especially in the shipping, biotechnology, and semiconductor industries. Nissan moved its headquarters to Yokohama from Chūō, Tokyo in 2010.

Source: Wikipedia

#### **Industry Highlight: Precious Metal Jewelry**

Japan is the third largest jewelry market in the world after the United States and China. Jewelry retail sales in Japan in 2012 totaled US\$10.16 billion. Imported jewelry accounted for 28.8 percent of the market in 2012. The United States is the largest supplier of precious metal jewelry products, with a 27.8 percent share of imports, and has also been the top supplier of silver and platinum jewelry in recent years. Japan continues to be a highly competitive, but attractive, market for unique and fashionable jewelry products with a good brand image.

The Japanese economy returned to positive growth in 2012, with GDP up by 2%. Consumers



continued to be price conscious when buying luxury goods. However, the recovery was supported by an increase in the consumption of goods across many industries after the decline caused by the Great East Japan Earthquake which disrupted the economy in 2011.

The Japanese jewelry market is diverse, well-developed and intensely competitive. Japanese consumers are demanding and value design, small details and quality when they buy jewelry. They admire upscale brands because of their sophisticated designs as well as the high quality and value. Brand marketing and effective sales promotion are therefore keys to success. There are many new imported designer fashion jewelry products from Europe as well as the United States being introduced by leading department stores, specialized retailers, and shopping outlets as sellers struggle to differentiate their products.

Source: export.gov

### Market Trends: Men's Jewelry

The estimated size of the men's retail jewelry market in 2012 was 400 million yen (about \$5 million), up 4.2% from 2011. Cool, middle aged men called "Choiwaru Oyaji" became a trend in 2005 when the new fashion and lifestyle market heated up. The trend has broadened to include silver and a wider variety of fashionable jewelry/accessory made in unique designs and materials. Male consumers who grew with the casual American fashion known as "Amekaji" in the 1980s have reached their early 40s to 50s and started to step up on fashion from casual to cool casual.

The estimated 8 million retiring baby boomers are a potential target for high-end and luxury products. Many wealthy male consumers with sophisticated fashion interests have started to



buy luxury high fashion items. Tie pins and cuff links are no longer the only fashion items for them; there is a wide range of fashionable and stylish products available. Isetan Men's in Shinjuku (Tokyo) and Hankyu Men's in Ginza (Tokyo) are carrying a wider variety of fashionable luxury watches and jewelry/fashion accessories targeting men in their 40s and 50s.

The number of "high net worth individuals" (\$1 to \$5 million in wealth) in Japan in 2012 was estimated to be 1.8 million individuals, second only to the U.S. globally.

Source: export.gov



### **Doing Business Tips: Entertaining in Business**

Business meals form an integral part of commercial life in Japan and should be seen as an important facet of the all-important relationship building process. Therefore, if you are invited out for lunch or dinner (rarely breakfast), it is important to accept. The person who invites will invariably pick up the bill. Do not offend by offering to pay if you have been invited by them.

When using chop-sticks never point them at anybody and do not leave them sticking into your rice. When not in use, rest your chop-sticks on the holder which will be provided on the table.

It is considered polite to leave some food on your plate (or in the bowl) at the end of the meal to show that you have eaten a sufficiency.

When taken to a traditional Japanese restaurant, it is customary to remove your shoes when entering. (This is not, however, the case in other types of restaurants.) A Japanese host will take great delight in choosing the food and explaining to you the different types of dishes on offer. Japan has a rich and varied cuisine — it is not all raw fish and pickles.

If you invite a Japanese guest for dinner, take them to a restaurant which reflects your own culinary heritage and you can then explain your own culture and customs to them.

Tipping is not customary in Japan, as this cost is usually included in the bill.

Source: WorldBusinessCulture.com

### **Culture Corner: Sushi**

Sushi is the most famous Japanese dish outside of Japan, and one of the most popular dishes among the Japanese themselves. In Japan, sushi is usually enjoyed on special occasions, such as a celebration.

During the Edo period, "sushi" referred to pickled fish preserved in vinegar. Nowadays sushi can be defined as a dish containing rice which has been prepared with sushi vinegar. There are many different types of sushi. Some popular ones are:





#### Nigiri

Small rice balls with fish, shellfish, etc. on top. There are countless varieties of nigirizushi, some of the most common ones being tuna, shrimp, eel, squid, octopus and fried egg.



#### Gunkan

Small cups made of sushi rice and dried seaweed filled with seafood, etc. There are countless varieties of gunkanzushi, some of the most common ones being sea urchin and various kinds of fish eggs.



#### Norimaki

Sushi rice and seafood, etc. rolled in dried seaweed sheets. There are countless varieties of sushi rolls differing in ingredients and thickness. Sushi rolls prepared "inside out" are very popular outside of Japan, but rarely found in Japan.



#### **Temaki**

Temakizushi (literally: hand rolls) are cones made of nori seaweed and filled with sushi rice, seafood and vegetables.

Source: japan-guide.com

### **Upcoming Events: Upcoming Activities**

**Interior Lifestyle Tokyo June 4-6** 

FOOMA (Food Machinery and Technology) Japan

**June 10-13** 

Food machinery and equipment



## **Health and Fitness Japan 2014 June 17-19**

Health and wellness products

#### MEDIX, Medical Device Development and Manufacturing Expo

June 25-27

Medical device and technology

